

What Is Claimed Is:

1 1. A method for determining a used
2 vehicle's market value, the method comprising:
3 selecting a number of comparable vehicles to
4 use to estimate the used vehicle's market value;
5 evaluating an estimation accuracy of the
6 number of comparable vehicles using a historical
7 database of used vehicles whose market values are
8 known;
9 determining a used vehicle market value
10 error for the number of comparable vehicles selected;
11 determining if the error has improved from a
12 previous error, wherein the previous error was
13 generated using a different number of comparable
14 vehicles; and
15 estimating a used vehicle's market value
16 using the number of comparable vehicles if the error
17 has improved.

1 2. The method of claim 1 wherein
2 evaluating an estimation accuracy of the number of
3 comparable vehicles further comprises selecting a
4 target vehicle from a historical database of used
5 vehicles whose market value is known.

1 3. The method of claim 2 further
2 comprising comparing the comparable vehicles to the

3 target vehicle to determine a distance between each
4 comparable vehicle and the target vehicle.

1 4. The method of claim 3 further
2 comprising adjusting the known market values of each
3 of the comparable vehicles using the distance to
4 arrive at an estimated used vehicle market value for
5 the target vehicle.

1 5. The method of claim 4 wherein
2 generating an estimated used vehicle market value for
3 the target vehicle further comprises computing a
4 distance-weighted average of the estimated market
5 values.

1 6. The method of claim 5 further
2 comprising generating a market value estimation error
3 based on a difference in the distance-weighted average
4 of the estimated market values and the known market
5 value of the target vehicle.

1 7. The method of claim 1 wherein
2 estimating a used vehicle's market value further
3 comprises selecting a comparable vehicle from the
4 historical database.

1 8. The method of claim 7 further
2 comprising comparing the used vehicle to the

comparable vehicles to determine a distance between each comparable vehicle and the used vehicle.

9. The method of claim 8 further comprising adjusting the known market values of each of the comparable vehicles using the distance to arrive at an estimated used vehicle market value for the used vehicle.

10. The method of claim 9 wherein generating an estimated used vehicle market value for the used vehicle further comprises computing a distance-weighted average of the estimated market values.

11. The method of claim 10 further comprising generating a market value estimation error based on a difference in the distance-weighted average of the estimated market values and the known market value of the used vehicle.

12. A method for determining a used vehicle's market value, the method comprising:
selecting a number of comparable vehicles to use to estimate the used vehicle's market value;
evaluating an estimation accuracy of the number of comparable vehicles using a historical database of used vehicles whose market values are known;

9 determining a used vehicle market value
10 error for the number of comparable vehicles selected;
11 determining if the error has improved from a
12 previous error, wherein the error was generated using
13 a different number of comparable vehicles; and
14 estimating a used vehicle's market value if
15 the error has improved and if a coverage constraint is
16 satisfied.

1 13. The method of claim 12 wherein
2 evaluating an estimation accuracy of the number of
3 comparable vehicles further comprises selecting a
4 target vehicle from a historical database of used
5 vehicles whose market value is known.

1 14. The method of claim 13 further
2 comprising comparing the comparable vehicles to the
3 target vehicle to determine a distance between each
4 comparable vehicle and the target vehicle.

1 15. The method of claim 14 further
2 comprising adjusting the known market values of each
3 of the comparable vehicles using the distance to
4 arrive at an estimated used vehicle market value for
5 the target vehicle.

1 16. The method of claim 15 wherein
2 generating an estimated used vehicle market value for
3 the target vehicle further comprises computing a

4 distance-weighted average of the estimated market
5 values.

1 17. The method of claim 16 further
2 comprising generating a market value estimation error
3 based on a difference in the distance-weighted average
4 of the estimated market values and the known market
5 value of the target vehicle.

1 18. The method of claim 12 wherein
2 estimating a used vehicle's market value further
3 comprises selecting a comparable vehicle from the
4 historical database.

1 19. The method of claim 18 further
2 comprising comparing the used vehicle to the
3 comparable vehicles to determine a distance between
4 each comparable vehicle and the used vehicle.

1 20. The method of claim 19 further
2 comprising adjusting the known market values of each
3 of the comparable vehicles using the distance to
4 arrive at an estimated used vehicle market value for
5 the used vehicle.

1 21. The method of claim 20 wherein
2 generating an estimated used vehicle market value for
3 the used vehicle further comprises computing a

4 distance-weighted average of the estimated market
5 values.

1 22. The method of claim 12 further
2 comprising generating a market value estimation error
3 based on a difference in the distance-weighted average
4 of the estimated market values and the known market
5 value of the used vehicle.

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all